



National Infrastructure Protection Center

NIPC Daily Open Source Report

for 24 January 2003

Current Nationwide
Threat Level is



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www.whitehouse.gov/homeland

Daily Overview

- The Associated Press reports a Justice Department audit asserts the Immigration and Naturalization Service has largely failed to implement recommendations aimed at fixing problems first identified in a 1999 audit, despite renewed attention since the Sept. 11 attacks. (See item [9](#))
- The Associated Press reports a recent security breach at a water plant has prompted Florida environmental regulators to order water utilities operators statewide to alert authorities immediately if anything suspicious happens at their plants. (See item [16](#))
- USA Today reports that too many private security guards — in a burgeoning \$12 billion-a-year industry — are unlicensed, untrained and not subject to background checks. (See item [24](#))
- The New York Times reports a security researcher has revealed a little-known vulnerability in many locks that can allow a person to create a copy of the master key for an entire building by starting with any key from that building; this is viewed as a problem that could open doors worldwide for criminals and terrorists. (See item [25](#))
- BetaNews reports the accounts of millions of AOL subscribers were jeopardized this week due to a vulnerability stemming from an error in one of AOL's international e-mail authentication systems, which granted users access without correctly verifying passwords. (See item [28](#))
- Editors Note: In order to prepare for the transition of NIPC to DHS, we are changing how the NIPC Daily Report is being delivered. The first major change will be the transtion to a new list service. That will take place starting Monday, January 27th. The message will come from NIPCDailyAdmin@mail.nipc.osis.gov.

NIPC Update *Fast Jump*

Production Industries: [Energy](#); [Chemical](#); [Defense Industrial Base](#)

Service Industries: [Banking and Finance](#); [Transportation](#); [Postal and Shipping](#)

Sustenance and Health: [Agriculture](#); [Food](#); [Water](#); [Public Health](#)

Federal and State: [Government](#); [Emergency Services](#)

IT and Cyber: [Information and Telecommunications](#); [Internet Alert Dashboard](#)

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Energy Sector

Current Electricity Sector Threat Alert Levels: Physical: Elevated, Cyber: Elevated

Scale: LOW, GUARDED, ELEVATED, HIGH, SEVERE [Source: ISAC for the Electricity Sector (ES-ISAC) – <http://esisac.com>]

1. *January 23, Los Angeles Times* — **Senate upholds weaker clean-air rules.** The Senate on Wednesday rejected a Democratic proposal to freeze a rollback of clean-air rules for industrial plants recently announced by the Bush administration. **At issue were new rules that grant smokestack industries -- such as petroleum refining, chemical processing and auto manufacturing -- flexibility to upgrade aging equipment without being forced to take strict anti-pollution measures previously required under the Clean Air Act.** The Environmental Protection Agency unveiled the rules in November; they are to take effect in March. The Democratic amendment sought to delay implementation for six months to allow researchers from the National Academy of Sciences to review the issue. Sen. John Edwards (D-NC), who proposed the amendment, argued the rules would not stand up to independent scrutiny.
Source: <http://www.indystar.com/print/articles/8/017548-1168-009.html>
2. *January 22, Oil & Gas Journal* — **AGA calls on policymakers to expand access to energy resources. The American Gas Association (AGA) joined a growing chorus of trade groups warning U.S. consumers they could see higher natural gas prices in the next decade unless policymakers boost access to energy-rich resources.** "A mismatch between growing demand for natural gas and supplies of it will inevitably result in higher prices for natural gas consumers during the next 10–15 years unless public policies and personal attitudes change about bringing fresh supplies of natural gas to market," AGA said. **A new AGA report says North America holds abundant supplies of natural gas but emphasizes that the industry will have difficulty meeting increasing consumer demand unless policies that restrict exploration and production efforts are updated to reflect current technology and unless additional gas supplies come from Alaska and overseas.** "Americans want a stable, reliable source of environmentally friendly energy that is produced in North America. They find it in natural gas. But given the long lead time associated with producing and transporting natural gas, critical decisions must be made now," said AGA President and CEO David N. Parker. AGA recommended that current restrictions on access to new sources of supply be reevaluated. The association said that, thanks to technological improvements, natural gas exploration and production is more environmentally sensitive. The group, which represents most of the nation's gas utilities, also said renewable forms of energy should play a greater role in meeting U.S. energy needs, "but government officials and customers must realize that all forms of energy have some environmental impact." U.S. officials also should work closely with Canadian and Mexican officials to address the challenges of supplying North America with competitively priced natural gas in an environmentally sound manner, AGA said.
Source: http://www.energycentral.com/sections/gasnews/gn_article.cfm?id=3587588
3. *January 22, Reuters* — **U.S. spot gas prices jump on cold, Northeast leads. U.S. spot natural gas prices, backed by some arctic weather this week, moved up sharply on Wednesday, with a key Northeast price point surging 40 percent ahead of the coldest**

temperatures of the winter heating season, sources said. Frigid Northeast weather drove gas for Thursday delivery at the New York city gate (Transco Z6) up more than \$5 on average, or 39 percent, to \$18.50 per million British thermal units. On Wednesday, New York daytime highs were forecast at 25 degrees F, with overnight lows expected to dip to near single digits before climbing slightly on Thursday to just 20 degrees, well below the normal high for the area of about 38 degrees. The cold weather also pushed regional spot power prices sharply higher to the \$100–130 per megawatt hour range. **Gas prices at other pipeline points were also up today, but the gains were more modest. But despite the arctic blast this week that triggered a scramble for supply, traders said more moderate temperatures next week could pressure the physical market.** "We've seen some utilities selling gas, and I think we're going to see more of that. It gets mild in Texas by the weekend and in other areas later next week," another trader said. In late NYMEX gas trade, the February contract was up 25 cents at \$5.68 after surging early on the cold forecasts to \$5.74, a new contract high and a 22-month spot chart high.

Source: http://www.energycentral.com/sections/gasnews/gn_article.cfm?id=3587374

4. *January 22, Associated Press* — **Germany, already leader in wind power, has raised generating capacity. German wind power capacity grew by more than a third last year, industry officials said Wednesday, after more than 2,000 new turbines were installed in a country that is already the world leader in the field.** Capacity rose 37 percent to 12 gigawatts while the number of turbines installed rose 20 percent to 13,800, according to data released by the National Association for Wind Energy and two other bodies. **As a result, wind power accounted for 4.7 percent of total energy consumption last year, up from 3 percent in 2001 and topping the contribution from hydroelectric generation for the first time. The industry groups said they hope to raise their share to 10 percent of the total by 2010, and to 25 percent by 2030.** Wind turbines dot the German landscape, particularly close to the North Sea and Baltic coasts, where new, more powerful units are being installed to take advantage of laws obliging electricity distributors to buy wind power at prices above market rates. **With turbines already in place at many of the best sites onshore, German energy firms are increasingly looking to build offshore wind farms, though none are expected to be fully operational until 2006 or 2007.**

Source: http://www.energycentral.com/sections/newsroom/nr_article.cfm?id=3587564

5. *January 22, The Charleston Gazette* — **Maryland county may buy power from wind farms. Montgomery County leaders are proposing that county government and other local agencies buy five percent of their power from wind farms, a renewable energy source officials hope will reduce air pollution that threatens the Washington region's transportation funding.** The purchase of 26 million kilowatt hours per year from mountaintop windmills in West Virginia would be among the largest public usage of wind power in the nation by local governments, said County Councilman George Leventhal. The move would cut modestly into the county's dependence on power plants that burn fossil fuels, which now account for most of the energy the county buys. "We must look at a variety of ways that move away from energy sources that cause pollution," Leventhal said. Leventhal planned to propose a change in the county's energy policy to adopt the five percent rule today. He said he has the support of much of the council, and County Executive Douglas Duncan will help unveil the plan. The measure could be voted on by March. **The Washington area is currently in violation of federal ozone standards and must set restrictions on traffic, power plant and**

other emissions by 2004. If the region does not meet the requirements of the Clean Air Act, the federal government can withhold transportation funding. Montgomery County buys power as part of a 14-member consortium that includes the county school system, Montgomery College, the city of Rockville and the Washington Suburban Sanitary Commission. Almost all of that power comes from coal and natural gas burning plants, including a Mirant Corp. generator in Dickerson, Leventhal said. Under the wind power proposal, the consortium would draw energy from windmills on Backbone Mountain near Thomas, W.VA. The wind farm, owned by Florida-based FBL Energy, went online in December. **Leventhal said the Montgomery consortium would be one of the largest public power consumers, behind Los Angeles, to adopt a wind power policy.**

Source: http://www.energycentral.com/sections/newsroom/nr_article.cfm?id=3587543

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Chemical Sector

6. *January 23, The Times Online* — **Illinois ranks high with pollution problems. Industrial facilities in Illinois spewed millions of pounds of chemicals into the environment in 2000, levels high enough to earn it a third-place ranking nationwide for toxins that cause reproductive and developmental problems.** The state also ranked seventh out of the country's worst polluters for other types of toxins released into the air and water between 1987 and 2000, according to a report released Wednesday by the Chicago-based Illinois Public Interest Research Group Education Fund (PIRG). PIRG's analysis showed that Illinois is one of many states that do not track the public's exposure to toxic discharges or the rates of potentially related chronic diseases. Activists with the group want state and federal governments to implement a tracking system to determine what specific chemicals are making people sick and where the toxins are coming from. PIRG, an alliance of state-based, citizen-funded organizations, analyzed data from the U.S. Environmental Protection Agency's Toxic Release Inventory (TRI) program. **The TRI program requires industries to annually report emissions to state and federal government agencies. PIRG analyzed that data for pollutants known to cause cancer, developmental and reproductive disorders and pollutants suspected of causing neurological and respiratory diseases.** "We know that some of these chemicals are known carcinogens. Unfortunately, there are over 80,000 chemicals used in the market today. Yet over 85 percent of those have no baseline information. That means we don't know if they are harmful or not," Weiner said. **With a tracking system, agencies would be able to show polluters the health problems they are causing, he said. The goal, Weiner said, is not to shut down industry, "but to have them clean up their act and not to pollute to the levels they are polluting."** Brooks pointed out that the probabilities of the chemicals causing cancer were very low and were based on exposure, as well as levels. But PIRG officials maintain that until there is a nationwide — and statewide — tracking system, there is no way to know how much exposure is harmful. "Until the states begin to track chronic diseases, Americans will have no knowledge as to how toxic pollution is affecting their health," the report stated.

Source: http://www.thetimesonline.com/articles/2003/01/23/news/local_illinois/03ca69c4ed68bdf86256cb7000e781e.txt

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Defense Industrial Base Sector

7. *January 22, Federal Computer Week* — **Defense RDchief explains focus. The Defense Department's ongoing transformation has caused its research and development community to refocus its efforts on taking an integrated approach to technology and moving those tools quickly to warfighters, according to DOD's director of research and engineering.** Technology adviser Ronald Sega said many RD initiatives have changed since Sept. 11, 2001. Sega is the chief technical adviser to both the Defense Secretary and the undersecretary of Defense for acquisition, logistics and technology, for scientific and technical matters, basic and applied research, and advanced technology development. Speaking on Wednesday at a media briefing hosted by Defense Week magazine, Sega said DOD established a task force eight days after the terrorist attacks to help get needed technologies — including weapons systems, explosive-detection tools and enhanced communications programs — deployed faster. **The Combating Terrorism Technology Task Force (CTTTF) was formed Sept. 19, 2001, and includes representatives from all the military services, the Joint Staff, other DOD and federal agencies, industry, and academia. The task force's objective is to rapidly identify, prioritize, integrate and deliver DOD technologies to help fight the war on terrorism. The CTTTF successfully accelerated three technologies — out of about 200 possibilities — into production within three months of the group's creation, Sega said. Now, the CTTTF is targeting communications-related areas, including interoperable systems among the different levels of government and more effective communications with the United States' coalition partners, Sega said. "We're pushing industry and academia to see if the technologies are ready for the field," he said, adding that the "push and pull" among the government and its partners is the best way to get new, useful tools in warfighters' hands. Industry has proven to be better for meeting DOD's near-term needs, but government and academia are better at long-term planning and engineering, he added. When asked how the quick turnaround time the CTTTF demands is affecting DOD's acquisition processes, Sega said tools that are required in small numbers are not a problem, but the large requests are a "challenge." He added that DOD's Advanced Concept Technology Demonstration programs are helping bridge the funding gap so that technologies can be quickly produced and fielded.**

Source: <http://www.fcw.com/fcw/articles/2003/0120/web-sega-01-22-03.asp>

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Banking and Finance Sector

Nothing to report.

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Transportation Sector

8. *January 24, Washington Post* — **Washington Area subway station briefly closed to investigate suspicious liquids found near its tracks.** The Crystal City Metro, just across the Potomac from Washington, station was temporarily closed this morning while authorities

investigated an unknown liquid near the train tracks. The station has been reopened after an investigation of an unknown liquid on the train tracks. Metro spokeswoman Taryn McNeil says a train operator noticed a man on the track bed about 4:55 a.m. The train operator called Metro police who couldn't locate the man but found broken vials with some type of liquid in them left on the tracks. A hazardous materials team from Arlington County is on the scene.

Source: <http://www.washingtonpost.com/wp-dyn/articles/A36837-2003Jan24.html>

9. *January 23, Associated Press* — **Justice faults INS on airport security.** The Immigration and Naturalization Service (INS) has failed to correct significant security deficiencies at airports despite renewed attention since the Sept. 11 attacks, Justice Department investigators said in a report released Thursday. The Transportation Security Administration is responsible for overall security at commercial airports, but the INS has oversight of foreign travelers. **An audit by Justice Department Inspector General Glen A. Fine found U.S. airports remain vulnerable to illegal entries by foreign travelers; smuggling of aliens, drugs and other illegal substances; and escapes by people detained for questioning.** Fine said the INS has largely failed to implement recommendations aimed at fixing problems first identified in a 1999 audit. **These include badly located or inoperable surveillance cameras, inability to videotape interviews with detainees, alarms that don't work and other security features that were never installed.** The full text of the audit report is available at <http://www.usdoj.gov/oig/audit/INS/report.pdf>
Source: <http://www.washingtonpost.com/wp-dyn/articles/A33191-2003Jan23.html>

10. *January 23, Federal Computer Week* — **Hutchinson outlines border security. Technology applications, intelligence information analysis and greater coordination with other nations will help to protect U.S. borders and waterways as well as facilitate better commercial trade, said Asa Hutchinson, undersecretary-designate for border and transportation for the Homeland Security Department.** Hutchinson, the former head of the U.S. Drug Enforcement Administration, spoke to several mayors on Thursday who represent cities along the U.S. borders with Mexico and Canada. Several times during his talk at the U.S. Conference of Mayors' 71st winter meeting in Washington, D.C., Hutchinson emphasized that the Homeland Security Department would balance security with commerce. Technology, he said, would help facilitate crossings and ensure better security given the limited resources along the borders, ports, and harbors. **Hutchinson said the United States needs a "layered approach to protection,"** explaining that the nation needs to work with other countries to share information and screen containers and visitors and before they enter the country. That sentiment was somewhat echoed by Stephen Flynn, a homeland security expert with the Council on Foreign Relations. **Flynn said that the country should look at security in a "continental context" and not just a U.S. context. That's because some critical infrastructure, such as Canadian gas pipe lines and power plants that serve U.S. cities, lie outside the border.**
Source: <http://www.fcw.com/fcw/articles/2003/0120/web-mayors-01-23-03.asp>

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Postal and Shipping Sector

11. *January 23, Straits Times* — **Satellite-based ship tracking system to be implemented soon.** Singapore, one of the world's busiest ports, is installing a \$1.5 million global

satellite-based ship identification system as it joins an international effort to ward off a maritime equivalent of the Sept. 11 terror attacks. The system, which essentially tracks and identifies all ships, is one of many new devices which port authorities around the world are installing to ensure that no 'hostile' vessels ply international waters. **Other systems include a ship-to-shore alert system to signal emergencies, a 'continuous synopsis record' to improve transparency of ownership, and a number of security measures on vessels and at ports.** At an international maritime conference held at the Shangri-La Hotel Wednesday, Singapore's Transport Minister Yeo Cheow Tong called upon fellow delegates from countries such as the United States, Britain, Holland and Sweden to deal with the threat to maritime security on international, national and individual levels. But new systems cost money – a key concern among many of the 500 delegates from 30 countries. For example, the automated identification system which is being installed by ports around the world will require that each ship plying international and regional waters be fitted with corresponding systems – costing an average of US\$10,000 each.

Source: <http://straitstimes.asia1.com.sg/singapore/story/0.4386.167582.00 .html?>

12. *January 23, Channel NewsAsia* — **Hong Kong port delays feared as U.S. imposes new 24-hour rule.** With the new U.S. Customs rules to take effect on February 2, **there are fears there could initially be some delays with cargo going through Hong Kong's ports.** Hong Kong ships some 6,000 containers to the US on a daily basis, making America its biggest destination. **The trouble with the new 24-hour customs ruling is that not many Hong Kong companies have compatible platforms linking them to the U.S. Customs department. U.S. Customs itself was surprised to find out that unlike Asian counterparts in Japan and some parts of China, Hong Kong still has a very paper-intensive process.** Analysts in Hong Kong reckon there will be no major impact on the new 24-hour ruling to port operators, shippers or exporters. However, given the time frame to implement these new measures, delays will be inevitable during the initial stages.

Source: <http://www.channelnewsasia.com/stories/economicnews/view/30541/1/ .html>

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Agriculture Sector

13. *January 23, Salisbury Daily Times* — **Researchers hope to identify illness among poultry workers. A bacteria common to farm animals called campylobacter jejuni is resistant to antibiotics in laboratory tests, a finding that could explain a mysterious chronic intestinal sickness among poultry workers, a spokeswoman for a chicken industry watchdog group said Wednesday.** Results from the tests conducted by researchers at the Johns Hopkins Bloomberg School of Public Health, in Maryland, are expected to be announced at a community forum tonight at Salisbury University, according to university officials. **A gene chip developed to trace the possible spread of the bacteria from chickens to humans is expected to be unveiled, said Carole Morison, a chicken grower for Perdue Farms Inc. and executive director of the Delmarva Poultry Justice Alliance. The findings puts researchers closer to the origin of flu-like symptoms common among poultry workers. The findings also could lead to changes in the industry's handling of live chickens and other birds, Morison said.** "By no means do we want to create a public scare, but it should be a concern to everyone," she said. Findings are part of a study by Ellen Silbergeld, a professor of

environmental health sciences. Silbergeld began studying health issues among poultry workers two years ago, after Morison and other local poultry growers reported a pattern of chronic intestinal virus-type illness among chicken handlers. Silbergeld wanted to know whether the bacteria built up a resistance to antibiotics because symptoms often recurred. **In an initial study of 34 poultry and non-poultry workers, over half the poultry processing plant workers tested positive for the campylobacter jejuni bacterium, characterized by diarrhea, fever, abdominal pain and nausea.**

Source: <http://www.dailytimesonline.com/news/stories/20030123/localnews/831842.html>

14. *January 23, Wisconsin Ag Connection* — **\$3.1 billion approved for drought relief. The Senate yesterday approved \$3.1 billion in new aid to farmers suffering weather-related losses.** In the final draft, as much as \$53 million in direct relief was included for tobacco growers, and \$50 million was earmarked for the cotton seed industry. The bill also set aside as much as \$250 million for the livestock industry. Bryan Dierlam, director of government affairs for the National Cattlemen's Beef Association, said the \$250 million for the livestock sector "will be pretty significant."

Source: <http://www.wisconsinagconnection.com/story-national.cfm?Id=952003>

15. *January 22, Indiana Ag Connection* — **CWD test on deer is negative. Indiana officials say none of the hundreds of deer screened for chronic wasting disease (CWD) have tested positive for the deadly, incurable disorder.** Wildlife experts began testing deer late last year. "We're glad we don't have a positive thus far, but we still have a long way to go. We're not even halfway through our first samples," said Jon Marshall, spokesman for the Indiana Department of Natural Resources' Division of Fish & Wildlife. **So far, 639 deer brain samples have been tested, out of 1,361 that have been sent to a lab in Ohio. Experts do not know whether chronic wasting disease has spread to Indiana.**

Source: <http://www.indianaagconnection.com/story-state.cfm?Id=45t>

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Food Sector

Nothing to report.

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Water Sector

16. *January 23, Associated Press* — **Security breach at DeBary water plant prompts statewide directive. A recent security breach at a water plant in Volusia, FL has prompted state environmental regulators to order water utilities operators statewide to alert the state immediately if anything suspicious happens at their plants.** The Florida Department of Environmental Protection issued the order Wednesday. **It requires the water plant officials to notify the agency as soon as they find out about any "suspicious incident, security breach or suspected sabotage."** State officials also said Wednesday they are investigating whether Volusia County officials broke the law by not informing the state right away about the security breach. **Water utilities officials are required to alert the state within 24 hours of possible**

problems at water plants. The county could face a fine of up to \$1,000 plus other costs, said Christianne Ferraro, a program administrator for water facilities in the Department of Environmental Protection's Orlando office. "We really want all the utilities to take this seriously when these break-ins occur," she said.

Source:

<http://www.heraldtribune.com/apps/pbcs.dll/article?Date=20030123&Category=APNRef=AR>

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Public Health Sector

17. *January 22, Reuters* — **Oral vaccine for plague, anthrax. A vaccine maker said on Wednesday that it has won a U.S. government contract to work on an oral vaccine to protect troops against both anthrax and plague infections.** The vaccine will use the cholera bacterium as a "bus" to carry in the proteins to protect against plague and anthrax, the company said. It will also protect against cholera. **The vaccine, if it works, will be years in the making. "This is going to be a vaccine against more than one terrorist threat," Una Ryan, a cell biologist who is president and chief executive officer of the contracted vaccine company, said in a telephone interview. "And it would give protection in a matter of days instead of months."** One of the many objections to the current anthrax vaccine is that it causes soreness at the injection site. An oral vaccine would have no such side-effect. The current anthrax vaccine has to be given in six injected doses over 18 months, but Ryan is confident her company, which is also developing a new anthrax shot, can do better. There is no vaccine against plague since the company that used to make one stopped in 1999. **Plague and anthrax top the list of likely biological warfare agents, along with smallpox.**

Source: <http://www.reuters.com/newsArticle.jhtml?type=topNews6338>

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Government Sector

18. *January 23, Washington Post* — **Homeland Security headquarters will be in D.C.** Homeland Security Secretary Tom Ridge on Wednesday announced that the headquarters for the new department will be located at a military-controlled base in Northwest Washington for the foreseeable future, saying the agency's security and operational needs are too pressing for it to lease space in the Washington suburbs as first proposed. The move, which will begin as soon as the 177,000-employee department is legally organized Friday, caps a contentious and frenetic search in which homeland security officials considered and ultimately rejected several Northern Virginia locations in recent days. **Instead, Ridge's spokesperson said the department's "initial headquarters" will be housed in a four-story building at the U.S. Naval Security Station at Nebraska and Massachusetts avenues that already serves the department's national, round-the-clock command center. The gated, 38-acre defense post about five miles from the White House is under the command of the Naval District of Washington and houses the Navy's global computer and telecommunications systems commands.** The decision settles one unknown in a fierce debate within the Bush administration over how the new department will consolidate pieces of 22 agencies. Nevertheless, the result upset the

expectations of members of Congress, the General Services Administration, which is the federal government's real estate arm, and local development interests. **With time running out before the department's Friday deadline and security concerns mounting with the sites selected by GSA after an abbreviated, three-month-long real estate search, Ridge and top aides essentially decided to change course. Instead the Homeland Security Department will move about 100 core staffers from temporary offices in downtown Washington immediately, but decisions about how many employees will ultimately work at the new headquarters, how much space they will occupy and how long they will stay have yet to be determined, Ridge spokesman Gordon Johndroe said.**

Source: <http://www.washingtonpost.com/wp-dyn/articles/A29793-2003Jan22.ht ml>

19. *January 23, Associated Press* — Counties seek more money for efforts against terror.

Commissioners from financially strained counties criticized Congress today for delays in approving \$3.5 billion that Washington had promised to help local governments brace for potential terrorist attacks. **President Bush has requested \$3.5 billion for state, county and local governments, but budget battles in Congress have delayed the money. The Senate is considering a spending bill this week that would send \$2.4 billion; it rebuffed a Democratic effort to restore the \$3.5 billion and add items for domestic security.** "If Congress does not act," Kenneth A. Mayfield, the president of the National Association of Counties, said, "the security of our nation and the American people will be in grave danger." **Counties have absorbed many costs of training emergency responders and strengthening defenses, but the expenses have worsened budget woes in many states, said Commissioner Randy Johnson of Hennepin County, Minnesota. Johnson, whose county includes Minneapolis suburbs, said that Hennepin had spent \$5.5 million since Sept. 11, 2001, on training and capital improvements to prepare for terrorist attacks and that he expected spending an additional \$8 million in the coming year. But it may have to freeze hiring, reduce health programs and cut back library hours.** Maricopa County, Arizona, has borne higher costs, including helping security at the 2001 World Series and training responders near the Palo Verde nuclear power plant, Commissioner Donald Stapley said. Maricopa County, which includes Phoenix, has created a security plan and plans to seek \$12 million in grants for it. But, Stapley said, a budget crisis has forced the county to lay off employees and freeze hiring.

Source: <http://www.nytimes.com/2003/01/23/national/23COUN.html>

20. *January 23, Washington Times* — U.S. officials worry about 'sleeper cells'. The capture of two suspected al Qaeda terrorists trying to enter the United States has bolstered concerns by intelligence officials that terrorists are seeking to create a global network of small, clandestine "sleeper cells" to plan and carry out future attacks. "The war in Afghanistan has proven costly to the al Qaeda network, but not fatal," said one U.S. law-enforcement official who asked not to be identified. "They are looking for places from which they can plan new attacks without drawing a lot of attention. **"It would be safe to say they have spread themselves globally, and the United States is not immune," said the official, adding that a "logical choice of location" would be one or several Muslim-dominated communities nationwide.** Last week, two al Qaeda suspects were taken into custody by U.S. immigration authorities as they tried to enter the United States after their fingerprints were matched with ones lifted by U.S. military officials from documents found in caves in Afghanistan. **Some information about the establishment of sleeper cells globally came from suspected al Qaeda terrorists now in the**

custody of U.S. authorities in Cuba and Afghanistan. Defense Secretary Donald H. Rumsfeld also told a Senate committee recently that the al Qaeda network was continuing to place operatives in more than 60 countries. Last month, Canadian authorities gathered evidence showing that al Qaeda had established sleeper cells in Canada whose members had the "capability and conviction" to support terrorist activities all across North America. The Canadian Security and Intelligence Service (CSIS) described the cells as secretive, operational and loyal to bin Laden. "The service believes there are supporters of Osama bin Laden and his terrorist network in Canada," the CSIS said. "Several individuals under service investigation are the products of violent Jihad ... the service believes that some extremists in Canada have the capability and conviction to provide support for terrorist activities in North America." The Royal Canadian Mounted Police confirmed in a separate report last month that foreign-born terrorists were operating in Canada and were being financed, in part, by charities, nongovernmental organizations and commercial entities. The RCMP said cash was being funneled to the terrorists through the Hawala, an international underground banking system.

Source: <http://www.washingtontimes.com/national/20030123-71672022.htm>

21. *January 23, Associated Press* — **Four Marines killed in helicopter crash. Two military helicopters crashed while helping the Border Patrol in a drug case, killing all four Marines on board.** The crash of the AH1W Super Cobra helicopters happened Wednesday night at Falcon State Park in far South Texas, near the Mexican border. Each helicopter carried a crew of two and there were no survivors, U.S. Border Patrol spokesman Armando Carrasco said in a statement. "The helicopters were conducting a nighttime aviation reconnaissance counterdrug operation in support of the U.S. Border Patrol, Laredo Sector, at the time of the accident," Carrasco said. The accident was under investigation and no further details were available, the spokesman said. The helicopter crews were based in Camp Pendleton, Calif., but were operating out of Fort Bliss, an Army post in far West Texas.

Source: <http://www.washingtonpost.com/wp-dyn/articles/A32073-2003Jan23.htm>

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Emergency Services Sector

22. *January 23, Washington Post* — **Move to Justice Department brings ATF new focus.** ATF and Justice Department officials say the shift will give the Bureau of Alcohol, Tobacco and Firearms (ATF) a tighter focus on law enforcement, and will allow it to coordinate more closely with the FBI, the Drug Enforcement Administration and other agencies. The move is part of a broader reshuffling after the Sept. 11, 2001, terrorist attacks that led to the creation of the Department of Homeland Security. **The ATF, which can trace its roots to the late 1700s, has long seemed out of place among the tax collectors and banking experts at Treasury. The increasing federal interest in governing firearms, along with aggressive efforts to stem violent crime rates, had transformed the ATF primarily into a law enforcement agency, even though it collected the most tax revenue for the government behind the Internal Revenue Service.** As a result, officials have discussed various plans to move, merge or eliminate the ATF for decades. Now with the U.S. Customs Service and the Secret Service, both Treasury agencies, headed for the Homeland Security Department, the Bush administration and Congress decided that it made sense to move the ATF into Justice at the

same time. The bureau will also get a name change — to the Bureau of Alcohol, Tobacco, Firearms and Explosives — but will stick with the well-known ATF moniker. The new name comes in part from added enforcement powers under the new Safe Explosives Act, which subjects explosives purchasers to some of the restrictions and background checks required for gun buyers.

Source: <http://www.washingtonpost.com/wp-dyn/articles/A30105-2003Jan22.ht ml>

23. *January 23, Wall Street Journal* — Swiss security forces to use new tactics at Davos forum.

It is a new tactic for the first gathering of political and business luminaries in this snowy Swiss resort town since the Sept. 11, 2001, attacks. And it shows how the perceived threats to the six-day World Economic Forum have shifted from antiglobalization protesters to terrorists possibly targeting a conglomeration of heavy hitters ranging from U.S. Secretary of State Colin Powell and Brazilian President Luiz Inacio Lula da Silva to Microsoft Corp.'s Bill Gates. **For the first time, Swiss government officials have said they will shoot down any unauthorized aircraft — including hot-air balloons — that stray into airspace stretching about 80 kilometers around the valley in the Swiss Alps where the event is being held. Residents of this town of 13,000 are also taking additional precautions — parents are keeping more than 10% of schoolchildren from attending classes during the forum because of security concerns. And the overall budget to protect the event and its 2,350 attendees has swelled to 13.5 million Swiss francs (\$9.87 million or €9.2 million), compared with 8.6 million Swiss francs in 2001, the last time the event was held here. The effort is billed as Switzerland's largest security mobilization ever.** Organizers say a decision was taken following the 2001 event to "de-escalate" the visible military presence. The decision followed complaints of overzealous policing the last time the World Economic Forum met in Davos. Officials say the police are still there, they just aren't in plain view. "There are many more policemen than we see," says Andre Schneider, who oversees security for the World Economic Forum. The police and army acknowledge they have set up elevated outposts in buildings and the mountains surrounding the town, but decline to give any details of those arrangements. **The measures are part of a gradual escalation of security precautions since the exclusive event was inaugurated in 1971. Such precautions intensified particularly during the late 1990s, organizers say. The event, which takes place in a bunker-like congress center in a town protected on all sides by mountains, has no history of major problems. But scattered minor incidents dot its history.**

Source: <http://online.wsj.com/article/0,,SB1043264669600146704,00.html>

24. *January 22, USA Today* — Private security guards are Homeland's weak link. Most of the nation's one million-plus guards are unlicensed, untrained and not subject to background checks. Their burgeoning, \$12 billion-a-year industry is marked by high turnover, low pay, few benefits and scant oversight. And according to government officials and industry experts, little has changed since Sept. 11, 2001. For 16 months since terrorists toppled the World Trade Center towers and destroyed part of the Pentagon, government officials have worked to secure the homeland. But there are no federal laws governing the private security industry. Efforts in Congress to mandate training and background checks nationwide failed last year; sponsors expect better results this year. State laws remain spotty. While the tiny fraction of guards who carry guns go through training and background checks, most of those who patrol office buildings, apartment complexes, shopping malls, sports arenas, warehouses and cargo terminals are unarmed. Twenty-nine states and the District of

Columbia do not require training for unarmed guards. In 22 states, they don't have to be licensed. In 16, the people who hold the keys, have access to the ventilation systems and know the escape routes are not put through background checks. Security guards themselves say they have seen few improvements since the 2001 attacks. A poll of 1,200 guards in California, Texas and Florida last spring for the Service Employees International Union found lax security persisted. Four in 10 guards said their buildings had no new security procedures. Seven in 10 said no bomb-threat or natural-disaster drills were conducted. A majority said they received no training on evacuation or other emergency procedures before being hired. "Post-9/11 training is non-existent in certain parts of the country," says Bruce Gelting of Allied Security, the largest American-owned and operated security company with 19,000 guards. **Many large companies hire top-flight security firms. They teach guards how to spot suspicious packages, monitor security cameras and evacuate buildings. But there are at least 11,000 security firms nationwide. Experts say many are fly-by-night operations that invest little or nothing in training and don't check backgrounds.**

Source: http://www.usatoday.com/news/nation/2003-01-22-security-cover_x.htm

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Information and Telecommunications Sector

25. *January 23, New York Times* — Master key copying revealed. A security researcher has revealed a little-known vulnerability in many locks that lets a person create a copy of the master key for an entire building by starting with any key from that building. **The researcher, Matt Blaze of ATTLabs-Research, found the vulnerability by applying his area of expertise — the security flaws that allow hackers to break into computer networks — to the real-world locks and keys that have been used for more than a century in office buildings, college campuses and some residential complexes.** The attack described by Blaze, which is known by some locksmiths, leaves no evidence of tampering. It can be used without resorting to removing the lock and taking it apart or other suspicious behavior that can give away ordinary lock pickers. **All that is needed, Blaze wrote, is access to a key and to the lock that it opens, as well as a small number of uncut key blanks and a tool to cut them to the proper shape. No special skills or tools are required; key-cutting machines costing hundreds of dollars apiece make the task easier, but the same results can be achieved with a simple metal file.** After testing the technique repeatedly against the hardware from major lock companies, Blaze wrote, "it required only a few minutes to carry out, even when using a file to cut the keys." **ATTdecided that the risk of abuse of the information was great, so it has taken the unusual step of posting an alert to law enforcement agencies nationwide. The alert describes the technique and the possible defenses against it, though the company warns that no simple solution exists.** The paper, which Blaze has submitted for publication in a computer security journal, has troubled security experts who have seen it. Marc Weber Tobias, a locks expert who works as a security consultant to law enforcement agencies, said he was rewriting his police guide to locks and lock-picking because of the paper. He said the technique could open doors worldwide for criminals and terrorists. "I view the problem as pretty serious," he said, adding that the technique was so simple, "an idiot could do it."

Source: <http://www.nytimes.com/2003/01/23/business/23LOCK.html>

26.

January 23, Associated Press — **Pentagon to offer combat videophones.** The Pentagon plans to equip public affairs officers with two-way satellite video transmitters to provide on-the-spot visuals from combat zones. The \$27,000 Austrian-made videophone system will allow military field commanders to hold "near real-time" videoconferences with journalists who may be sitting anywhere on the planet, said Lt. Col. David Lamp, a spokesman for the U.S. Joint Forces Command. The videophone is a rugged briefcase that cradles a laptop computer with video-editing and recording capacity and includes a built-in camera, keyboard and a pair of external collapsible satellite dish antennas. Lamp said **the videophones could be used to combat the type of false information faced by U.S. forces in Afghanistan** — that an aerial bombardment had destroyed a hospital, or that emergency food rations dropped to refugees had been poisoned. The device might also be useful to **conduct interviews with Special Operations forces or pilots of the B-2 "Stealth" bombers, whose locations might be secret but whose stories the Pentagon may still want to publicize**, Lamp said.

Source: <http://www.cnn.com/2003/TECH/ptech/01/23/pentagon.videophones.ap/index.html>



27. *January 23, Government Computer News* — **DOD demands technological interoperability.** The Joint Chiefs of Staff plans to open a hub for technology companies to show off their latest wares to the Defense Department as a means to speed up development. But **Army Lt. Gen. Joseph Kellogg Jr., director of command, control, communications and computer systems for the Joint Staff, warned vendors not to submit technologies that are platform-centric. The IT Development Center will only consider technologies that are interoperable**, he said. Kellogg spoke today in Washington at the Network Centric Warfare 2003 conference sponsored by the Institute for Defense and Government Advancement. Kellogg said the **Department of Defense already has many applications that are not interoperable. For example, he said soldiers in Kuwait and Afghanistan using different collaboration tools couldn't speak to one another.** "Now that is not the way you fight battles," Kellogg said. **"The advantage we see on network-centric warfare is everything ties together on a network.** You get tremendous capabilities by tying everything together." The center will be located at the Joint Forces Command in Suffolk, Virginia

Source: http://www.gcn.com/vol1_no1/daily-updates/20959-1.html

28. *January 22, BetaNews* — **Security flaw exposes AOL accounts.** The accounts of millions of AOL subscribers were jeopardized this week due to a flaw in the company's Web-based mail system. The vulnerability stems from **an error in one of AOL's international e-mail authentication systems, which granted users access without correctly verifying passwords.** By simply entering an account name, **an AOL user had the ability to read any other user's e-mail and all personal data contained therein.** Although AOL plugged the security hole **early Wednesday morning**, it is unclear at this point how many AOL and AIM accounts have been compromised. The only accounts entirely spared were those of AOL employees, as a SecurID code is required for such accounts, in addition to a password.

Source: <http://www.eweek.com/article2/0,3959,840980,00.asp>

Internet Alert Dashboard

Current Alert Levels	
 AlertCon: 1 out of 4 https://gtoc.iss.net	 Security Focus ThreatCon: 1 out of 4 www.securityfocus.com
Current Virus and Port Attacks	
Virus:	#1 Virus in the United States: WORM_KLEZ.H Source: http://wtc.trendmicro.com/wtc/wmap.html , Trend World Micro Virus Tracking Center [Infected Computers, North America, Past 24 hours, #1 in United States]
Top 10 Target Ports	137 (netbios-ns), 80 (http), 1433 (ms-sql-s), 445 (microsoft-ds), 139 (netbios-ssn), 4662 (???), 53 (domain), 23 (telnet), 135 (???), 8714 (???) Source: http://isc.incidents.org/top10.html ; Internet Storm Center

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General Sector

29. *January 23, Los Angeles Times* — **Bombing targets pinpointed by Reid.** In the summer before the Sept. 11 terrorist attacks, "shoe bomber" Richard Reid traveled extensively in the Middle East scouting airplanes, rail stations, buses and hotels as potential bombing targets for Afghan terrorists, according to government documents obtained Wednesday. **His observations became the basis of a blueprint by Afghan associates for planning future terrorist attacks, the documents show, with instructions so detailed that they included when train stations would be the most crowded, which buses had the fewest military police and where airport security guards were least likely to check passengers. Also, copies of FBI interviews with the 29-year-old British citizen reveal for the first time that Reid paid from \$1,500 to \$2,000 for the explosive device he had wired into his sneakers, and that while he said he sought help from associates in Eastern Europe's "black market" to obtain the bomb materials, he nevertheless repeatedly "claimed to have devised this plan himself."** The scouting report and the FBI interviews would have been used against him had his case gone to trial, but Reid pleaded guilty in October. The documents bolster a government sentencing memorandum released Tuesday that seeks to show Reid is so dangerous that he should be imprisoned for life.

Source: <http://www.latimes.com/news/nationworld/nation/la-na-reid23jan23.0.446373.story?coll=la%2Dhome%2Dheadlines>

30. *January 23, New York Times* — **U.S. businessman linked to Iraqi arms purchases.** An Iraqi-American businessman recently arrested in Europe was once a key middleman for Saddam Hussein in illegal weapons purchases and last year was trying to organize a last-minute arms-buying spree for Iraq in response to the growing threat of an American invasion, according to American and European law-enforcement officials. **The businessman, Sahib Abd Amir Haddad, 59, who ran a large international trading company in Nashville in the 1980's and 1990's, had previously been identified as a major supplier of Iraq's**

chemical weapons program before the 1991 Persian Gulf war. He was arrested last November in Bulgaria and is awaiting extradition to Germany, where he has been charged with conspiring in the late 1990's with two German men to purchase equipment for Iraq for the manufacture of a giant cannon. German prosecutors have said the canon — a "supergun" — could have been used to lob chemical, biological or nuclear weapons up to 35 miles. "Haddad is the most important person in connection with this," said Stephan Morweiser, a prosecutor in Mannheim, Germany, who is overseeing the trial of the German men. "He got the directions from Iraq, the list of goods that Iraq wanted." American and European officials said that Haddad had attempted to buy other weapons and equipment for Iraq in the last two years, including rockets, machine guns and parts for Iraq's aging fleet of Russian-made MIG's. The Iraqi government acknowledged that his ties to its weapons industry dated back to at least to the 1980's, when his trading company supplied Iraq with tons of precursor chemicals that could be used in the manufacture of chemical weapons. **Many of the details of Haddad's arrest in Bulgaria remain unclear, although news reports from Sofia, the capital, have said that he was picked up at the airport on a Turkish Airlines flight from Istanbul. His final destination and reasons for travel through Bulgaria have not been explained. Bulgarian Interior Ministry officials have said that Haddad was taken into custody after the police noted his name on a list of people being sought by Interpol on a German arrest warrant. In the case in Mannheim, Haddad and the two Germans are accused of trying to acquire 39-foot-long drills for making the giant cannon. At the Germans' trial last week, Morweiser said the gun would have been "capable of firing not only conventional, but also nuclear, biological and chemical weapons."**

Source: <http://www.nytimes.com/2003/01/23/international/middleeast/23SUSP.html>

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